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INFO RUEHRH/AMEMBASSY RIYADH PRIORITY 1581
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RUCPDOC/DEPT OF COMMERCE WASHINGTON DC PRIORITY

UNCLAS SANAA 000120

SIPDIS

EEB/CBA FOR DENNIS WINSTEAD, DOC/ITA FOR TYLER HOFFMAN, EMBASSY RIYADH FCS FOR MICHAEL RICHARDSON

E.O. 12958: N/A

TAGS: <u>ABUD AMGT BEXP BTIO ECON EINV ETRD YM</u>
SUBJECT: EMBASSY SANAA'S FY2009 BFIF PROPOSALS

REF: 08 STATE 128559

11. SUMMARY: Embassy Sanaa proposes two FY2009 projects for the Business Facilitation Incentive Fund (BFIF): (1) training for the Economic/Commercial officer and the FSN Commercial Assistant, both of whom are new to Post and lack any formal commercial tradecraft training, and (2) a one-day investment climate improvement seminar targeting Yemeni business executives and government trade authorities. Post seeks to exploit Yemen's ongoing interest in full membership in the WTO and the Extractive Industries Transparency Initiative (EITI) to push the government and businesses to take additional measures to build on recent modest improvements in Yemen's investment climate. Expanded capacity in the Post commercial section and a U.S.-branded event promoting corporate governance and IPR would enhance our ability to expand U.S. exports to Yemen. END SUMMARY.

PROJECT 1: TRAINING

- 12. Proposed project 1: Training for Economic/Commercial Officer and FSN Commercial Assistant in FCS procedures, applications, and standards through the FSI Commercial Tradecraft Course (PE125) and through one week of shadowing FCS colleagues in CS partnership post CG Jeddah or in Embassy Riyadh.
- A) Justification: Post continues to receive numerous requests for commercial advocacy, market intelligence, and FCS services such as the Gold Key Matching Service. Neither the Economic/Commercial Officer nor the newly-hired Commercial Assistant has received any formal commercial training. Prior to January 2009, there had been no full-time Econ/Commercial Officer since April 2008, due to a succession of Post evacuations. The latest State OIG report for Embassy Sanaa (2006) singled out the need for commercial training for the FSN Commercial Assistant.
- B) Planning Milestones:

March 2009: BFIF money is awarded;

April 2009: Post identifies training sites and coordinates hotel and logistical details;

May 2009: Economic/Commercial Officer and Commercial Assistant complete one week of working alongside FCS colleagues in either CS partner post CG Jeddah or Embassy Riyadh;

August 2009: Economic/Commercial Officer and Commercial Assistant complete FSI Commercial Tradecraft course;

September 2009: Post sends final BFIF report on performance metrics.

C) Estimated costs (for two individuals):

Sanaa-Washington roundtrip airfare: USD 7,000

Lodging (five days): USD 2,000 Per diem (five days): USD 640 Ground transportation: USD 200

Sanaa-Riyadh or Sanaa-Jeddah roundtrip airfare: USD 1,000

Lodging (three days): USD 1,500 Per diem (three days): USD 480 Ground transportation: USD 100

Total: USD 11,920

D) Points of contact:

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PROJECT 2: INVESTMENT CLIMATE IMPROVEMENT SEMINAR

- 13. Proposed project 2: A one-day seminar hosted by Post on corporate governance, IPR, and FCS services, targeting local business executives, SME owners/operators, Chamber of Commerce representatives, and government officials from the General Investment Authority and the Ministry of Trade. Presenters would include U.S. executives based in the Gulf and/or Europe, a senior FCS officer based in the region, and, costs permitting, an NGO representative from Berlin-based Transparency International or the Oslo-based Extractive Industries Transparency Initiative.
- A) Justification: Post has long advocated for measures that would improve Yemen's investment climate in meetings with government and private interlocutors. A U.S-branded event dedicated to improving Yemen's economy and promoting U.S.-style business practices, however, would help raise awareness of key USG trade and investment priorities among key private and public sector opinion-shapers.
- B) Planning Milestones:

March 2009: BFIF money is awarded;

April-June 2009: Post works with local businesspeople and the Sana'a Chamber of Commerce to identify a site, sponsors, and participants for the Investment Climate Improvement Seminar;

July 2009: Post coordinates site preparation, participant travel, and sponsor participation;

September-October 2009: Post and designated partners host the one-day Seminar;

November 2009: Ambassador hosts follow-up dinner for select Seminar participants to discuss improving Yemen's investment climate and U.S. business opportunities. (Note: As per reftel, this event would draw on Embassy representational funds, not BFIF. End Note);

November 2009: Post sends final BFIF report on performance metrics.

C) Estimated costs (for two individuals):

Roundtrip airfare for five EU-based speakers: USD 15,000 Roundtrip airfare for two Gulf-based speakers: USD 2,000 Site rental and hosting costs (cost-shared with partners): 3,000

Lodging (one night) for seven speakers: USD 1000 Per diem (two days): USD 560

RSO-coordinated security for eight hour event: USD 4,000

Total: USD 25,560

D) Points of contact:

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